

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF WISCONSIN
AT LAW AND IN ADMIRALTY

UNITED STATES OF AMERICA,

Plaintiff,

v.

Case No.

APPROXIMATELY \$404,802.42 IN UNITED
STATES CURRENCY FROM WALWORTH
STATE BANK ACCOUNT ENDING IN
6358,

APPROXIMATELY \$371,295.46 IN UNITED
STATES CURRENCY FROM WALWORTH
STATE BANK ACCOUNT ENDING IN
1625, and

CERTAIN REAL PROPERTY commonly
known as PARCEL NUMBER NA328000002
IN WALWORTH COUNTY, WISCONSIN,

Defendants.

VERIFIED COMPLAINT FOR CIVIL FORFEITURE IN REM

The United States of America, by its attorneys, James L. Santelle, United States Attorney for the Eastern District of Wisconsin, and Scott J. Campbell, Assistant United States Attorney, alleges as follows:

1. This is a civil action *in rem* brought: (1) to enforce the provisions of Title 21, United States Code, Section 881(a)(6), which provide for the forfeiture of properties that were used or intended to be used in exchange for controlled substances, controlled substance analogues of Schedule I controlled substances, or both; that represent proceeds of the knowing or intentional trafficking in controlled substances, controlled substance analogues of Schedule I

controlled substances, or both; that were purchased with proceeds traceable to an exchange of money for controlled substances, controlled substance analogues of Schedule I controlled substances, or both; or that were used or intended to be used to facilitate knowing and intentional violations of Title II of the Controlled Substances Act, all in violation of 21 U.S.C.

§§ 802(32)(A), 813, 841, and 846; and (2) to enforce the provisions of Title 18, United States Code, Section 981(a)(1)(A), which provide for the forfeiture of property involved in a transaction or attempted transaction in violation of the Money Laundering Control Act, 18 U.S.C. §§ 1956 and 1957, or any property traceable to such property.

2. Plaintiff brings this action *in rem* in its own right to forfeit and condemn the defendant properties. This Court has jurisdiction over an action commenced by the United States under 28 U.S.C. § 1345, and over an action for forfeiture under 28 U.S.C. § 1355.

3. This Court has *in rem* jurisdiction over the defendant properties under 28 U.S.C. § 1355(b).

4. Upon the filing of this complaint, the plaintiff requests that the Court issue an arrest warrant *in rem* pursuant to Supplemental Rule G(3)(b), which the plaintiff will execute upon the following properties pursuant to 28 U.S.C. § 1355(d) and Supplemental Rule G(3)(c): Approximately \$404,802.42 in United States currency from Walworth State Bank account ending in 6358, and approximately \$371,295.46 in United States currency from Walworth State Bank account ending in 1625.

5. Upon the filing of this complaint, the plaintiff will post notice of the complaint on the defendant real property commonly known as parcel number NA328000002 in Walworth County, Wisconsin, pursuant to the provisions of 18 U.S.C. § 985(c)(1) and Supplemental Rule G(3)(a).

6. Venue is proper in this district pursuant to 28 U.S.C. § 1355(b)(1), because the acts or omissions giving rise to the forfeiture occurred in this district.

7. The defendant properties described below are presently in the custody of the United States Marshal Service:

- A. Approximately \$404,802.42 in United States currency from Walworth State Bank account ending in 6358 held in the name of The Smoke Shop, LLC, which was seized on or about April 4, 2014, and
- B. Approximately \$371,295.46 in United States currency from Walworth State Bank account ending in 1625 held in the name of The Smoke Shop, LLC, which was seized on or about April 5, 2014.

8. The defendant real property commonly known as parcel number NA328000002 in Walworth County, Wisconsin, with all buildings, appurtenances and improvements thereon, is further described as follows:

Lot 2 of Certified Survey Map No. 3280 recorded in the office of the Register of Deeds for Walworth County, Wisconsin, on December 21, 2000, in Volume 18 of Certified Survey Maps, on Page 205, as Document No. 458442, located in the NE 1/4 of the NW 1/4 of Section 3, Town 2 North, Range 18 East, Town of Lyons, Walworth County, Wisconsin.

Parcel ID Number: NA328000002

9. The defendant real property commonly known as parcel number NA328000002 in Walworth County, Wisconsin, is titled to David S. Yarmo and Erin S. Yarmo.

10. The facts and circumstances supporting the seizure and forfeiture of the defendant properties are contained in the affidavit of Daniel S. Schmeichel, which is attached hereto as Exhibit A and is fully incorporated herein by reference.

11. On or about May 8, 2014, "The Smoke Shop, Inc.," by and through its managing member, David Yarmo, filed a claim to the following defendant properties: Approximately \$404,802.42 in United States currency from Walworth State Bank account ending in 6358 and

approximately \$371,295.46 in United States currency from Walworth State Bank account ending in 1625.

12. The following defendant properties were used or intended to be used in exchange for Schedule I controlled substances, controlled substance analogues of Schedule I controlled substances, or both; represent proceeds of the knowing or intentional trafficking in Schedule I controlled substances, controlled substance analogues of Schedule I controlled substances, or both; or were used or intended to be used to facilitate knowing and intentional violations of Title II of the Controlled Substances Act, all in violation of 21 U.S.C. §§ 802(32)(A), 813, 841, and 846, and are therefore subject to forfeiture to the United States of America pursuant to Title 21, United States Code, Section 881(a)(6): Approximately \$404,802.42 in United States currency from Walworth State Bank account ending in 6358, and approximately \$371,295.46 in United States currency from Walworth State Bank account ending in 1625. The funds seized from Walworth State Bank accounts ending in 6358 and 1625 are also subject to the “fungible property” forfeiture provisions set forth in Title 18, United States Code, Section 984.

13. The defendant real property commonly known as parcel number NA328000002 in Walworth County, Wisconsin, was purchased with proceeds traceable to an exchange of money for Schedule I controlled substances, controlled substance analogues of Schedule I controlled substances, or both, in violation of 21 U.S.C. §§ 802(32), 813, 841, and 846, and is therefore subject to forfeiture to the United States of America pursuant to Title 21, United States Code, Section 881(a)(6).

14. The following defendant properties were involved in transactions or attempted transactions in violation of the Money Laundering Control Act, or are traceable to money laundering offenses, all in violation of 18 U.S.C. §§ 1956 and 1957, and are therefore subject to forfeiture by the United States of America pursuant to Title 18, United States Code,

Sections 981(a)(1)(A) and 984: Approximately \$404,802.42 in United States currency from Walworth State Bank account ending in 6358, approximately \$371,295.46 in United States currency from Walworth State Bank account ending in 1625, and certain real property commonly known as parcel number NA328000002 in Walworth County, Wisconsin.

WHEREFORE, the United States of America prays that notice of the complaint for civil forfeiture *in rem* be posted upon the defendant real property commonly known as parcel number NA328000002 in Walworth County, Wisconsin, in an open and visible manner in order to make the government's action open and notorious; that a warrant of arrest for the defendant properties approximately \$404,802.42 in United States currency from Walworth State Bank account ending in 6358 and approximately \$371,295.46 in United States currency from Walworth State Bank account ending in 1625 be issued; that due notice be given to all interested parties to appear and show cause why the forfeiture should not be decreed; that judgment declare the defendant properties to be condemned and forfeited to the United States of America for disposition according to law; and that the United States of America be granted such other and further relief as this Court may deem just and equitable, together with the costs and disbursements of this action.

Dated at Milwaukee, Wisconsin, this 21st day of July, 2014.

Respectfully submitted,

JAMES L. SANTELLE
United States Attorney

By:

s/SCOTT J. CAMPBELL
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